

**BEFORE THE COMMISSIONER OF THE  
TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS**

**IN THE MATTER OF:**

**GLEND A STONE**

**DOCKET NO. 03.06-113789J**

**ORDER**

THIS ORDER IS AN INITIAL ORDER RENDERED BY AN ADMINISTRATIVE JUDGE WITH THE ADMINISTRATIVE PROCEDURES DIVISION.

THE INITIAL ORDER IS NOT A FINAL ORDER BUT SHALL BECOME A FINAL ORDER UNLESS:

1. THE ENROLLEE FILES A WRITTEN APPEAL, OR EITHER PARTY FILES A PETITION FOR RECONSIDERATION WITH THE ADMINISTRATIVE PROCEDURES DIVISION NO LATER THAN **December 8, 2011**.

YOU MUST FILE THE APPEAL, PETITION FOR RECONSIDERATION WITH THE ADMINISTRATIVE PROCEDURES DIVISION. THE ADDRESS OF THE ADMINISTRATIVE PROCEDURES DIVISION IS:

SECRETARY OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION  
WILLIAM R. SNODGRASS TOWER  
312 ROSA PARKS AVENUE, 8<sup>th</sup> FLOOR  
NASHVILLE, TENNESSEE 37243-1102

IF YOU HAVE ANY FURTHER QUESTIONS, PLEASE CALL THE ADMINISTRATIVE PROCEDURES DIVISION, **615/741-7008 OR 741-5042, FAX 615/741-4472**. PLEASE CONSULT APPENDIX A AFFIXED TO THE INITIAL ORDER FOR NOTICE OF APPEAL PROCEDURES.

**BEFORE THE COMMISSIONER OF THE  
TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS**

**IN THE MATTER OF:**

**Glenda Stone,  
Petitioner,**

**Vs.**

**Department of Financial Institutions,  
Compliance Division,  
Respondent.**

**DOCKET NO: 03.06-113789J  
TDFI No.: 11-143-C**

**NOTICE OF DEFAULT AND INITIAL ORDER**

This matter came to be heard on November 21, 2011, at the offices of the Tennessee Department of Financial Institutions, before Administrative Law Judge Steve R. Darnell, assigned by the Administrative Procedures Division of the Tennessee Department of State, and sitting for the Commissioner of the Tennessee Department of Financial Institutions pursuant to T.C.A. §4-5-301(d). The Department of Financial Institutions (Department) was represented by attorney Joseph Schmidt. The Respondent, having received proper notice of this hearing, failed to appear or otherwise participate. Upon motion of the Department, the Respondent was held in **DEFAULT**, and the Department chose to proceed uncontested.

**FINDINGS OF FACT**

1. Respondent applied to the Department for a renewal license as a mortgage loan originator. The Department denied Respondent's application, and Respondent requested this hearing pursuant to T.C.A. § 45-13-302(c) of the Tennessee Residential Lending, Brokerage and Servicing Act.

8. Respondent failed to timely file a completed application for a mortgage loan originator's license with the Department as required by statute. The Department has shown, by a preponderance of the evidence, that it properly denied Respondent's application.

### CONCLUSIONS OF LAW

1. Hearings pursuant T.C.A. § 45-13-301(a) are to be conducted in compliance with T.C.A. § 45-13-301(a) of the Uniform Administrative Procedures Act, provided, that the individual has requested a hearing in writing within 30 days following the date of the Commissioner's denial as required by T.C.A. §45-13-302(d).

2. T.C.A. §45-13-302 provides in relevant part as follows:

(a) Individuals applying for a mortgage loan originator license shall complete and file a form as prescribed by the commissioner and shall pay a nonrefundable licensing fee of one hundred dollars (\$100). The fee may be decreased or increased by rule of the commissioner, and constitutes the licensing fee for the first year of licensing or part of the first year. Each such application form shall be in writing and under oath and shall contain any information the commissioner deems necessary, including the following:

(1) The individual's name, date of birth, social security number and address;

(2) The name of any person for whom the individual intends to provide origination services and the address of the office at which the individual will be stationed;

(3) Information pertaining to the individual's personal history and experience; and

(4) The individual's authorization for the commissioner or the Nationwide Mortgage Licensing System and Registry, or both, to obtain:

(A) An independent credit report obtained from a consumer reporting agency, as defined in § 603(p) of the Fair Credit Reporting Act, codified in 15 U.S.C. § 1681a(p); and

(B) ...

(b) ...

(c) **No mortgage loan originator license shall be issued unless** the commissioner makes at a minimum the following findings:

(1) ...

(2) ...

(3) **The applicant has demonstrated the financial responsibility, character and general fitness to command the confidence of the community and to warrant a determination that the applicant will operate honestly, fairly and efficiently within the purposes of this chapter. An individual has shown that the individual is not financially responsible when the individual has shown a disregard in the management of the individual's own financial condition;**

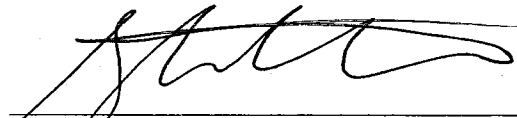
(4) ...

(5) ...

(d) Upon **submission of a properly completed application form**, including submission of fingerprints and payment of all applicable fees, the commissioner shall investigate the application to determine whether the applicant qualifies for a license. If the commissioner finds the applicant so qualified, the commissioner shall issue the applicant a mortgage loan originator license that shall expire on December 31 in the year it was issued. If the commissioner does not find the applicant so qualified, the commissioner shall notify the applicant in writing, stating the basis for denial. If the commissioner denies an application or fails to act on a complete application within ninety (90) days, the applicant may make a written demand to the commissioner for a hearing on the question of whether the license should be granted. Any hearing requested under this subsection (d) shall be conducted under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5; provided, that the individual has requested the hearing in writing within thirty (30) days following the date of the commissioner's denial. At the hearing, the burden of proving that the individual is entitled to a mortgage loan originator license shall be on the individual.

**IT IS THEREFORE ORDERED** that the Department properly denied Respondent's motion for a mortgage loan originator's license and its decision is upheld.

This Initial Order entered and effective this 23<sup>RD</sup> day of NOV 2011.



Steve R. Darnell  
Administrative Law Judge

Filed in the Administrative Procedures Division, Office of the Secretary of State, this  
\_\_\_\_\_ day of \_\_\_\_\_ 2011.

A handwritten signature in black ink, reading "Thomas G. Stovall". The signature is written in a cursive style with a large, stylized "S" at the end.

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Thomas G. Stovall, Director  
Administrative Procedures Division

## **APPENDIX A TO INITIAL ORDER**

### **NOTICE OF APPEAL PROCEDURES**

#### **Review of Initial Order**

This Initial Order shall become a Final Order (reviewable as set forth below) fifteen (15) days after the entry date of this Initial Order, unless either or both of the following actions are taken:

(1) A party files a petition for appeal to the agency, stating the basis of the appeal, or the agency on its own motion gives written notice of its intention to review the Initial Order, within fifteen (15) days after the entry date of the Initial Order. If either of these actions occurs, there is no Final Order until review by the agency and entry of a new Final Order or adoption and entry of the Initial Order, in whole or in part, as the Final Order. A petition for appeal to the agency must be filed within the proper time period with the Administrative Procedures Division of the Office of the Secretary of State, 8<sup>th</sup> Floor, William R. Snodgrass Tower, 312 Rosa L. Parks Avenue, Nashville, Tennessee, 37243. (Telephone No. (615) 741-7008). See Tennessee Code Annotated, Section (T.C.A. §) 4-5-315, on review of initial orders by the agency.

(2) A party files a petition for reconsideration of this Initial Order, stating the specific reasons why the Initial Order was in error within fifteen (15) days after the entry date of the Initial Order. This petition must be filed with the Administrative Procedures Division at the above address. A petition for reconsideration is deemed denied if no action is taken within twenty (20) days of filing. A new fifteen (15) day period for the filing of an appeal to the agency (as set forth in paragraph (1) above) starts to run from the entry date of an order disposing of a petition for reconsideration, or from the twentieth day after filing of the petition, if no order is issued. See T.C.A. §4-5-317 on petitions for reconsideration.

A party may petition the agency for a stay of the Initial Order within seven (7) days after the entry date of the order. See T.C.A. §4-5-316.

#### **Review of Final Order**

Within fifteen (15) days after the Initial Order becomes a Final Order, a party may file a petition for reconsideration of the Final Order, in which petitioner shall state the specific reasons why the Initial Order was in error. If no action is taken within twenty (20) days of filing of the petition, it is deemed denied. See T.C.A. §4-5-317 on petitions for reconsideration.

A party may petition the agency for a stay of the Final Order within seven (7) days after the entry date of the order. See T.C.A. §4-5-316.

### **YOU WILL NOT RECEIVE FURTHER NOTICE OF THE INITIAL ORDER BECOMING A FINAL ORDER**

A person who is aggrieved by a final decision in a contested case may seek judicial review of the Final Order by filing a petition for review in a Chancery Court having jurisdiction (generally, Davidson County Chancery Court) within sixty (60) days after the entry date of a Final Order or, if a petition for reconsideration is granted, within sixty (60) days of the entry date of the Final Order disposing of the petition. (However, the filing of a petition for reconsideration does not itself act to extend the sixty day period, if the petition is not granted.) A reviewing court also may order a stay of the Final Order upon appropriate terms. See T.C.A. §4-5-322 and §4-5-317.